
AGENCY OVERVIEW**230 University of North Dakota**

Date: 01/13/2011**Time:** 11:08:13**Statutory Authority**

ND Constitution Articles VIII and IX; North Dakota Century Code Sections 15-11 and 15-22.

Agency Description

The University of North Dakota, classified as a "Doctoral/Research University Intensive" institution by the Carnegie Foundation for the Advancement of Teaching, is characterized by a solid foundation of the liberal arts, a manageable size, high-quality students and faculty, a diverse curriculum, a widely recognized program of graduate education and research, law and medical schools praised for quality and innovation, rich cultural resources, and an outstanding record of alumni support. Its major academic divisions include Arts and Sciences, Aerospace Sciences, Business and Public Administration, Education and Human Development, Engineering and Mines, Nursing, Medicine and Health Sciences, Law, Graduate School, and Continuing Education.

Agency Mission Statement

The University of North Dakota, as a member of the North Dakota University System, serves the state, the country and the world community through teaching, research, creative activities, and service. State-assisted, the University's work depends also on federal, private, and corporate sources. With other research universities, the University shares a distinctive responsibility for the discovery, development, preservation and dissemination of knowledge. Through its sponsorship and encouragement of basic and applied research, scholarship, and creative endeavor, the University contributes to the public well-being.

The University maintains its original mission in liberal arts, business, education, law, medicine, engineering and mines; and has also developed special missions in nursing, fine arts, aerospace, energy, human resources and international studies. It provides a wide range of challenging academic programs for undergraduate, professional, and graduate students through the doctoral level. The University encourages students to make informed choices, to communicate effectively, to be intellectually curious and creative, to commit themselves to lifelong learning and the service of others, and to share responsibility both for their own communities and for the world. The University promotes cultural diversity among its students, staff, and faculty.

In addition to its on-campus instructional and research programs and its branch campuses, the University of North Dakota separately and cooperatively provides extensive continuing education and public service programs for all areas of the state and region.

Agency Performance Measures

The North Dakota University System publishes an annual accountability measures report each December, in response to the "flexibility with accountability" expectations of SB 2003 passed by the 2001 Legislative Assembly. Organized according to the five cornerstones of the Roundtable Report, these annual reports provide a useful framework for focusing the assets of the University System on the high-priority needs of the state. The 2010 annual accountability measures report is scheduled for completion in December 2010, and will be the most current information available to the 2011 Legislative Assembly.

This annual document serves as a primary tool for reporting on the agreed-upon North Dakota University System accountability measures and as a vehicle through which the system demonstrates its commitment to enhancing the economic and social vitality of North Dakota.

Major Accomplishments

1. Installed the UND student and faculty built ISSAC (International Space Station Agricultural Camera) on the International Space Station in April 2009. Activated by astronaut Michael Barratt, ISSAC takes infrared and near-infrared pictures (handy for judging vegetation) for use by farmers, ranchers, resource managers, and teachers.
2. Ranked by the American Academy of Family Physicians as the top medical school in the country for producing family medicine physicians. U.S. News and World Report ranked UND's School of Medicine and Health Sciences among the top five family medicine programs and also recognized UND's Center for Rural Health as a leading national resource for rural health information. In October 2009, Entrepreneur Magazine and the Princeton Review named UND's entrepreneurship program one of the top 25 in the country. UND is consistently ranked as one of the best national universities by the Princeton Review and U.S. News & World Report.
3. Celebrated an anonymous \$10.0 million gift to the UND College of Business and Public Administration, its largest gift ever and one of the largest given to UND through the UND Foundation. Established as a challenge grant, the donation could have a \$40.0 million impact on the College of Business and Public Administration.

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4. Captured the 16th national flying team championship in 25 years at the SAFECON competition in Terre Haute, Indiana.
5. Unveiled the SpaceShip One-based space flight simulator—the second of two unique-to-UND training units—in the Spacecraft Simulator Facility. This UND space flight simulator was made possible by the generous cooperation of Cirrus Design Corp and was part of the UND-based North Dakota Space Grant Consortium and the UND Department of Space Studies.
6. Dedicated the Research Enterprise and Commercialization park (REAC 1), which houses the University's Center of Excellence in Life Sciences and Advanced Technology (COELSAT). The \$16.0-million-plus, 50,000-square-foot structure provides a research and development hub to increase the University's output of innovative, creative and entrepreneurial patents and get them commercialized with private-sector partners.
7. Began offering the country's first fully accredited online Master's of Social Welfare (MSW) degree that includes both concentration and foundation in social work; the program graduated its first class in 2009. UND also began offering the state's first online Master's in Early Childhood Education degree. The UND Graduate School and School of Engineering and Mines established the country's first Master's in Sustainable Energy Engineering degree. UND Aerospace began offering a new program—the Bachelor of Science in Aeronautics degree with a major in unmanned aerial systems.
8. Generated an overall economic impact of more than \$1.000 billion, with the research enterprise alone having a state and regional economic impact of just over \$195.3 million in FY 2009, an increase of \$21.2 million over the prior year. The University's research activity in fiscal year 2009 funded 1,648 jobs, including 808 at UND. UND sponsored programs created 1,435 jobs within North Dakota. UND research activity also generated about \$19.3 million in federal and state tax revenue.

Future Critical Issues

Based on the reconsideration of the environment and circumstances which occurred in the development of the new strategic plan, the following remain critical issues for the University of North Dakota including the School of Medicine and Health Sciences:

- Salaries-Faculty and staff salaries are below regional and national norms.
- Demographics-The number of 18-year-olds in North Dakota is projected to decline by more than 20 percent in the next decade.
- Funding level overall-Public funding for UND is, according to the MGT Study elements as adopted by the State Board of Higher Education, 53 percent of the median for the 15 peer institutions.
- Research infrastructure and manpower-If UND is to achieve the sponsored program targets, the personnel and infrastructure base must be increased.
- Remaining accessible-Tuition continues to increase as a fraction of the revenue needed to support instructional costs.

Further clarification on these issues is included in the Equity Section of the Budget Changes Narrative.

REQUEST SUMMARY

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Bill#: HB1003

Date: 01/13/2011

Biennium: 2011-2013

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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
By Major Program					
University of North Dakota	115,472,926	303,839,549	(70,980,670)	232,858,879	6,234,013
Total Major Program	115,472,926	303,839,549	(70,980,670)	232,858,879	6,234,013
By Line Item					
Operating Expenses	107,511,830	125,261,007	22,496,306	147,757,313	0
Capital Assets	6,343,693	7,700,545	55,701,021	63,401,566	6,234,013
Capital Assets-Carryover	0	1,565,182	(1,565,182)	0	0
Capital Projects - Non-State	0	44,475,661	(22,775,661)	21,700,000	0
Capital Projects Carryover - Non-State	0	104,717,112	(104,717,112)	0	0
Deferred Maintenance	0	7,178,674	(7,178,674)	0	0
Capital Assets-Federal Stimulus	0	11,700,000	(11,700,000)	0	0
1997 Flood Expenditures	1,617,403	1,241,368	(1,241,368)	0	0
Total Line Items	115,472,926	303,839,549	(70,980,670)	232,858,879	6,234,013
By Funding Source					
General Fund	115,472,926	137,546,776	73,612,103	211,158,879	6,234,013
Federal Funds	0	11,700,000	(11,700,000)	0	0
Special Funds	0	154,592,773	(132,892,773)	21,700,000	0
Total Funding Source	115,472,926	303,839,549	(70,980,670)	232,858,879	6,234,013
Total FTE	637.24	651.91	6.25	658.16	0.00

REQUEST DETAIL

230 University of North Dakota
Biennium: 2011-2013

Bill#: HB1003

Date: 01/13/2011
Time: 11:08:13

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
Operating Expenses					
Operating Fees and Services	107,511,830	125,261,007	22,496,306	147,757,313	0
Total	107,511,830	125,261,007	22,496,306	147,757,313	0
Operating Expenses					
General Fund	107,511,830	125,261,007	22,496,306	147,757,313	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	107,511,830	125,261,007	22,496,306	147,757,313	0
Capital Assets					
Land and Buildings	0	5,400,000	53,590,000	58,990,000	5,953,000
Other Capital Payments	0	0	0	0	281,013
Extraordinary Repairs	6,343,693	2,300,545	2,111,021	4,411,566	0
Total	6,343,693	7,700,545	55,701,021	63,401,566	6,234,013
Capital Assets					
General Fund	6,343,693	2,300,545	61,101,021	63,401,566	6,234,013
Federal Funds	0	0	0	0	0
Special Funds	0	5,400,000	(5,400,000)	0	0
Total	6,343,693	7,700,545	55,701,021	63,401,566	6,234,013
Capital Assets-Carryover					
Land and Buildings	0	1,565,182	(1,565,182)	0	0
Total	0	1,565,182	(1,565,182)	0	0
Capital Assets-Carryover					
General Fund	0	1,565,182	(1,565,182)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	0	1,565,182	(1,565,182)	0	0
Capital Projects - Non-State					
Land and Buildings	0	44,475,661	(22,775,661)	21,700,000	0
Total	0	44,475,661	(22,775,661)	21,700,000	0
Capital Projects - Non-State					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0

REQUEST DETAIL

230 University of North Dakota
Biennium: 2011-2013

Bill#: HB1003

Date: 01/13/2011
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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
Special Funds	0	44,475,661	(22,775,661)	21,700,000	0
Total	0	44,475,661	(22,775,661)	21,700,000	0
Capital Projects Carryover - Non-State					
Land and Buildings	0	104,717,112	(104,717,112)	0	0
Total	0	104,717,112	(104,717,112)	0	0
Capital Projects Carryover - Non-State					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	104,717,112	(104,717,112)	0	0
Total	0	104,717,112	(104,717,112)	0	0
Deferred Maintenance					
Extraordinary Repairs	0	7,178,674	(7,178,674)	0	0
Total	0	7,178,674	(7,178,674)	0	0
Deferred Maintenance					
General Fund	0	7,178,674	(7,178,674)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	0	7,178,674	(7,178,674)	0	0
Capital Assets-Federal Stimulus					
Land and Buildings	0	11,700,000	(11,700,000)	0	0
Total	0	11,700,000	(11,700,000)	0	0
Capital Assets-Federal Stimulus					
General Fund	0	0	0	0	0
Federal Funds	0	11,700,000	(11,700,000)	0	0
Special Funds	0	0	0	0	0
Total	0	11,700,000	(11,700,000)	0	0
1997 Flood Expenditures					
Land and Buildings	1,617,403	1,241,368	(1,241,368)	0	0
Total	1,617,403	1,241,368	(1,241,368)	0	0

1997 Flood Expenditures

REQUEST DETAIL

230 University of North Dakota

Biennium: 2011-2013

Bill#: HB1003

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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
General Fund	1,617,403	1,241,368	(1,241,368)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	1,617,403	1,241,368	(1,241,368)	0	0

Funding Sources

General Fund	115,472,926	137,546,776	73,612,103	211,158,879	6,234,013
Federal Funds	0	11,700,000	(11,700,000)	0	0
Special Funds	0	154,592,773	(132,892,773)	21,700,000	0
Total Funding Sources	115,472,926	303,839,549	(70,980,670)	232,858,879	6,234,013

CHANGE PACKAGE SUMMARY

230 University of North Dakota

Biennium: 2011-2013

Bill#: HB1003

Date: 01/13/2011

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Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
<u>Base Budget Changes</u>						
One Time Budget Changes						
A-B 1 Major Capital Projects		0.00	58,990,000	0	21,700,000	80,690,000
A-E 1 Remove ARRA Funding		0.00	0	(11,700,000)	0	(11,700,000)
A-E 2 Remove One time Funding for Def Mnt		0.00	(7,178,674)	0	0	(7,178,674)
A-E 3 Remove Capital Projects		0.00	(1,241,368)	0	(49,875,661)	(51,117,029)
Total One Time Budget Changes		0.00	50,569,958	(11,700,000)	(28,175,661)	10,694,297
Ongoing Budget Changes						
A-A 1 Parity		0.00	14,386,592	0	0	14,386,592
A-A 12 2009-11 Adjusted FTE		651.91	0	0	0	0
A-A 2 Equity		0.00	3,730,280	0	0	3,730,280
A-A 3 College Affordability		0.00	2,088,846	0	0	2,088,846
A-A 4 Base Plus Incr for Extraord Repairs		0.00	4,411,566	0	0	4,411,566
A-A 7 Employee Retire Contrib Increase		0.00	683,318	0	0	683,318
A-A 8 Statewide Nursing Consortium		6.25	1,607,270	0	0	1,607,270
A-F 1 Remove Capital Assets Carryover		0.00	(1,565,182)	0	(104,717,112)	(106,282,294)
A-F 2 Remove Base Funding for Extraord Repairs		0.00	(2,300,545)	0	0	(2,300,545)
Base Payroll Change		(651.91)	0	0	0	0
Total Ongoing Budget Changes		6.25	23,042,145	0	(104,717,112)	(81,674,967)
Total Base Budget Changes		6.25	73,612,103	(11,700,000)	(132,892,773)	(70,980,670)
<u>Optional Budget Changes</u>						
One Time Optional Changes						
A-D 1 Special Assessments	1	0.00	281,013	0	0	281,013
A-D 3 Small to Medium Size Capital Projects	2	0.00	5,953,000	0	0	5,953,000
Total One Time Optional Changes		0.00	6,234,013	0	0	6,234,013
Total Optional Budget Changes		0.00	6,234,013	0	0	6,234,013

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Change Group: A	Change Type: A	Change No: 1	Priority: 1
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Parity - \$14,386,592

The long-term finance plan includes targeted state/student shares for each of the campuses. The student share of parity costs would be funded through tuition rate increases, except as noted in change code AA3. The requested parity increase, totaling \$14,386,592 includes the state share of the following increased costs for 2011-13:

- \$2,387,136 - Continuation of 10-11 legislatively funded salary increase @ 5%.
- \$6,869,044 - 11-13 salary increase of an average 4.5% per year.
- \$2,949,604 - 11-13 estimated health insurance increase of 10% per year or \$173.39 per month. Total projected premium of \$999.05 per month per employee.
- \$858,641 - Operating inflation (excluding utilities) of 2.1% for FY12 and 2.0% for FY13, based on projections from Economy.Com
- \$1,235,915 - Projected utility cost increases, based on recent actual and projected cost increases. The percentage increases vary by type of utility and include a projected 10 percent increase in the cost of coal for each year (primarily due to transportation costs), 5.5 percent increase each year for heating oil, about 5.25 percent per year for natural gas and 3 percent per year for electricity. These estimated increases for the 2011-13 biennium are in addition to the adjusted estimates for the 2009-11 biennium which also included significant increases.
- \$86,253 - Utilities for new facilities coming on-line in 11-13. Buildings include the increased cost for the COBPA Renovation, Ireland Lab remodel, and the Education Remodel.

Change Group: A	Change Type: A	Change No: 2	Priority: 2
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Equity - \$3,730,280

The NDUS budget request includes a \$15 million increase for equity, distributed among the 11 NDUS campuses and SMHS, to address peer differentials. UND's portion of the request is \$3,730,280. The LTF Plan requires a minimum of 15% of the total new funding be allocated to equity, after full funding of the state share of salaries and benefit cost increases in parity. The distribution of the equity request is based on a change to the LTFP, approved by the SBHE in January 2010--the average of the weighted percentage distance from peers and dollar distance from peer--with a minimum amount of equity funding to all campuses funded at less than 110% of their peer benchmark. The revised plan states that the minimum equity funding allocation will be a minimum of \$100,000 or 10% of total biennial equity funding, whichever is greater. For the 2011-13 budget request, 10% of the equity request is \$1.5 million, and 6 campuses (WSC, NDSCS, MaSU, MiSU, VCSU and DCB) will share in the minimum request of \$250,000 each.

The University of North Dakota is requesting through the 2011-13 biennial budget process funding to enhance the value of the existing academic enterprise with a focus on the needs of the state as captured in the NDUS Strategic Plan. To that end, a comprehensive academic initiative of significant breadth is proposed. The focus is to attract new undergraduate and graduate students to programs that are unique or specific to addressing the needs of the state of North Dakota.

Funding is requested for two academic programs that recognize the importance of broad state needs in the areas of health and energy/environment.

The College of Nursing at the University of North Dakota is the largest and most comprehensive in the state. Implementation of a **Doctor of Nursing Practice (DNP) program** at UND is proposed to meet the forthcoming changes in licensing requirements that will mean that advanced practice registered nurses (APRNs) including Nurse Practitioners, Clinical Nurse Specialists, Certified Nurse Midwives and Certified Nurse Anesthetists not educated to the DNP level will be unable to obtain certification in their respective fields beginning in 2015 and thus will be unable to practice in any state. DNP prepared nurses are ideally suited to help implement health care system reforms such as increasing primary, transitional and preventative care; enhancing access for rural and medically underserved populations; improving care coordination and

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chronic care management; and reducing costly medical errors. The development and implementation of this degree will increase the number of qualified nurses in the region who are competent to address significant issues especially related to the health of rural and aging populations.

The School of Engineering and Mines is in the final stage of implementing a **new degree program in Petroleum Engineering**. This program will help meet the demand for Petroleum Engineers to support the major developments in the Bakken Formation in Western North Dakota and will complement current training activities at the Williston State College Petroleum Safety and Technology Center. The program will build on and leverage existing resources (funding for space and equipment) as well as existing relationships and partnerships (Williston State College, UND College of Business and Public Administration, North Dakota Industrial Commission, North Dakota Geological Survey, Energy and Environmental Research Center, Jodsaas Entrepreneurship Center, and the Petroleum Research, Education and Entrepreneurship Center).

Consistent with goals identified in the SBHE Strategic Plan, UND continues to specifically target investments to improve college student retention and graduation, including student advisement and career counseling.

Investment in retention and degree completion will continue into the next biennium. Three areas are targeted 1) piloting projects to improve the first-year experience 2) piloting projects for an early intervention system and 3) developing a more integrated advising program.

If funding is received, part of the planning process would include identification of FTE and consideration of telecommute opportunities to the extent possible.

Change Group: A	Change Type: A	Change No: 3	Priority: 3
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College Affordability - \$2,088,846

Funding was provided during the current 2009-11 biennium to address student affordability, by freezing tuition at the two-year campuses and limiting tuition increases to no more than 4% at all other NDUS campuses. The SBHE went a step further and limited tuition increases to no more than 3.5% at the four-year campuses for each year of the 09-11 biennium. If the 2011-13 request is funded, the two-year campuses would continue to freeze tuition, and tuition increases would be limited to no more than 4% at the four-year campuses for an additional 2 years. If done consistently over a period of years, this would ensure two-year campus tuition rates remain affordable for those students least able to afford a college education, and will also help to begin to re-balance the state/student shares consistent with the Long-Term Finance Plan. Funding would cover 100% of the student share of parity cost increases at the two-year campuses, and would also cover a portion of the student share of parity costs at the four-year campuses.

At UND \$1,633,301 of additional state funding would limit tuition increases to no more than 4% for the 2011-13 biennium, and replace the need for an estimated tuition increase of 4.8% per year to fund the student share of parity. In addition, \$455,545 would be needed to also fund a portion of the student share of retirement contribution increases included in budget change code AA7. Total affordability request is \$2,088,846.

NOTE: The ability to cap tuition rate increases, as outlined above, is contingent upon the following budget assumptions: 1.) parity costs are fully funded; 2.) campuses do not experience significant enrollment declines; and 3.) other budget components requested are funded (e.g. technology infrastructure and maintenance, etc.) so cost increases need not be absorbed within the current resource base.

Change Group: A	Change Type: A	Change No: 4	Priority: 4
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Base Plus Incr for Extraord Repairs - \$4,411,566

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Currently, the campuses receive \$6,677,416 in base funding for extraordinary repairs, which is equivalent to an overall average of 9% of the OMB building and infrastructure formulas, ranging from 4.2% at LRSC to 14.2% at DCB. In the IBARS process, we are required to remove base funding for extraordinary repairs (see change code **AF2**). The 2011-13 NDUS budget request includes a total of \$4,441,130 to provide increased base funding for facilities and infrastructure repairs and maintenance, equivalent to 15% of OMB building and infrastructure formulas. The AA4 budget change code includes restoring the base amount removed in change code AF2, as well as the requested increase to reach 15% of OMB formula. **(The Univeristy of North Dakota's portion of the request is \$2,300,545 for base funding currently received in 2009-11, and \$2,111,021 for the increase in base funding for extraordinary repairs for 2011-13. Total = \$4,411,566)**

A prioritized listing of extraordinary repair projects is included in the extraordinary repairs subschedule (because of IBAR's requirement to do so), however these priorities can very easily change, due to unforeseen circumstances and emergencies. The priority listing is only a best estimate at this time. The actual use of these dollars will be left to the discretion of the institutions (with appropriate approvals by the SBHE where required for projects greater than \$250,000). All NDUS entities will be given the authority to allocate dollars to repair and replacement priorities for regular repair and replacement projects as determined by each entity.

Extraordinary Repair Categories for 2011-13 Biennial Budget Request**Building Exterior - \$747,000**

1. Roofing repairs
2. Tuck pointing or other exterior wall repairs
3. Window replacement
4. Exterior door replacement
5. Insulation
6. Foundation water proofing

Mechanical and Electrical Upgrades - \$732,500

1. Chiller repairs and replacement
2. Furnace - boiler repairs and replacement
3. AHU repairs and replacement
4. Plumbing repairs and replacement (includes plumbing fixtures)
5. Interior hydronic / steam piping repairs and replacement.
6. HVAC control repair and replacement
7. Interior lighting repairs and replacement
8. Building electrical panel replacement
9. Wiring upgrades and replacement.

Interior Finishes - \$225,000

1. Painting / staining / wall covering replacement
2. Floor covering replacement
3. Interior door replacement
4. Ceiling replacement

Structural repairs - \$840,171

1. Roof structure (truss and joist) repairs or replacement (damaged from roof leaks or snow load).
2. Mud jacking (pump concrete under a footing to make it level again).
3. Foundation repairs or replacement
4. Framing and structural repairs or replacement.

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Paving and Area Lighting - \$725,545

1. Parking lot repairs / replacement
2. Street repairs / replacement
3. Bridge repair / replacement
4. Sidewalk repair / replacement
5. Step repair / replacement
6. Street light repairs / replacement

Utilities and Infrastructure - \$876,700

1. Steam line repair / replacement
2. Sanitary Sewer repairs / replacement
3. Storm water system repair / replacement
4. Water main repair / replacement
5. Electrical distribution repair / replacement
6. Telecommunication distribution system repair / replacement

Misc. Small Projects less than \$50K - \$264,650

Any project less than \$50K which is limited in scope to one or more of the above categories exclusively.

Change Group: A	Change Type: A	Change No: 7	Priority: 5
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Employee Retire Contrib Increase - \$683,318

Consistent with PERS proposal, this would increase Defined Benefit and Contribution retirement plan rates by 2% on 1/1/12 and 2% on 1/1/13, with 50% paid by employer and 50% by employee. UND's portion of the request is \$683,318. This is the state portion only, an additional \$455,545 is included in the affordability request in budget change code AA3 for the student portion.

Change Group: A	Change Type: A	Change No: 8	Priority: 6
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Statewide Nursing Consortium - \$1,607,270

SB2379 (2007) provided that *"The University of North Dakota college of nursing shall establish and administer a nursing education consortium for the purpose of addressing common concerns in nursing education which produce obstacles in meeting the state's current and future nursing needs, with a focus on the specific needs of rural communities. The consortium membership must include representation of the University of North Dakota College of Nursing, the University of North Dakota Center for Rural Health, and the Board of Nursing. In addition, each nursing program in this state which is approved by the board of nursing and each nursing program with approval pending which is located in this state must be invited to have representation in the consortium."*

At this time, the Consortium continues to function to enact mutual goals of improving nursing curricula through the use of low and high fidelity simulation, screen-based learning and other modalities of simulation, such as task trainers and standardized patients. A \$500,000 appropriation was included in SB2266 (2009) from ARRA funding, for a simulation laboratory initiative. The 2011-13 budget request of UND includes **\$1,607,270** for funding to expand statewide nursing consortium outreach: \$550,000

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simulation equipment for each program; \$542,645 simulation technicians for each program (6.25 FTE); \$400,000 electronic health records at 5 program sites; and \$114,625 to continue consortium administrative staff costs 0.7 FTE.

Currently there are 11 nursing programs liscensed through the ND Board of Nursing that are included in this request: 1) Dakota Nursing Program, which includes BSC, LRSC, WSC, DCB, Fort Berthold Community College, with delivery sites at MaSU and VCSU; 2) DSU; 3) MiSU; 4) NDSCS; 5) NDSU; 6) UND; 7) University of Mary; 8) United Tribes Technical College; 9) Sitting Bull College; 10) Jamestown College and 11) Medcenter One.

Change Group: A	Change Type: A	Change No: 12	Priority: 7
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2009-11 Adjusted FTE

Per SB2003 (Section 20), "The State Board of Higher Education is authorized to adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control. The University System shall report any adjustments to the Office of Management and Budget before the submission of the 2011-13 biennium budget request." A report was run as of 4-30-2010 to determine the total "appropriated fte" as of that date. Consistent with the methodology used in previous biennia, the current year's annual budgets were used to estimate the amount supported by general fund only, based on the percentage of budgeted general fund revenue to total appropriated revenue.

The FTE reported shows an increase from 07-09 to 09-11. Please see below examples to support the increase.

1. Establish Nursing Consortium
2. Establish Space Grant Consortium
3. Funding for the Center for Biomedical Research was switched from the UND Medical School to the UND general fund appropriation.
4. General base appropriated dollars were allocated to UND for new allocations that supported priorities of the University's Planning and Budget Committee. A couple priorities that affected staffing included...
 1. Athletics - transition from Division II to I
 2. Academic Support (staffing)
 3. Student Services (staffing)
 4. University Relations (staffing)
5. Fluctuation may occur throughout the years with GTA's, temporary instructors and visiting faculty.

Change Group: A	Change Type: B	Change No: 1	Priority: 1
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Major Capital Projects - \$58,990,000

All details of the major capital projects will be included in the Capital Assets subschedule.

Change Group: A	Change Type: D	Change No: 1	Priority: 1
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Special Assessments - \$281,013

Funding to pay off outstanding special assessments totaling **\$281,013** at **UND**, resulting in **\$60,861** estimated savings in interest costs.

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UND has a remaining special assessment balance of \$281,013 once the FY 2011 payment is made. The special assessment obligations extend out to 2019. It would be beneficial to get a one time allocation to pay these off as it would save the University \$60,861 in interest payments. It would also allow the University to utilize the dollars that have been spent on special assessments each year to be used for extraordinary repairs needs for the campus.

Change Group: A	Change Type: D	Change No: 3	Priority: 2
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Small to Medium Size Capital Projects - \$5,953,000

In addition to the major capital projects that were prioritized by the SBHE for inclusion in the biennial budget requests (change code AB1), which typically include projects with individual costs of several million dollars, the Board also approved the inclusion of seven small to medium size capital projects for each campus. The cost range for the projects varied by campus as follows:

- Less than or equal to \$250,000 – BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB
- Less than or equal to \$500,000 – MiSU and NDSCS
- Less than or equal to \$1 million – UND and NDSU

The details of these small to medium size capital projects are included in the Capital Projects subschedule.

Change Group: A	Change Type: E	Change No: 1	Priority: 1
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Remove ARRA Funding - (\$11,700,000)

This change package is to remove \$11,200,000 ARRA funding for the UND education building (SB2003-Section 4). The Education Building had a ground breaking ceremony on June 4th, 2010. Currently construction is in full swing. The Education building is a construction project that is attaching two existing buildings to make them more efficient for the students as well as energy efficient. Expenditures to date are \$890,369.13. Total dollars collected to date are \$536,121.71.

Another project to remove is the \$500,000 ARRA funding for the simulation laboratory initiative (SB2266-Section 3). The Simulator Laboratory Initiative has three purposes. The first purpose and where the majority of the money is being spent is on the Simulator equipment for UND as well as several other colleges/universities in ND. Roughly one third of the schools have purchased their simulator equipment. Secondly, a Nursing Needs Study has been started and this study is designed to collect information about the success of implementation of the new simulation equipment at each of the nursing education programs. Finally, a portion of the dollars is to support the Business Officer in Nursing for managing the project.

Change Group: A	Change Type: E	Change No: 2	Priority: 1
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Remove One time Funding for Def Mnt - (\$7,178,674)

A total of \$20 million was appropriated to the campuses and Forest Service for one-time deferred maintenance in the 2009-11 biennium (SB2003-Section 7). **UND's portion of this was \$7,178,674.** The use of this funding will be reported to the appropriations committees of the sixty-second legislative assembly, as required. **Please see below the status of this funding:**

2009-11 DEFERRED MAINTENANCE			
BIENNIAL CATEGORY	FY 2010 BUDGET	EXPENDITURES	BALANCE REMAINING
Building Exterior	\$1,738,174	\$962,467.96	\$775,706.04

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Mechanical/Electrical Upgrades	\$4,745,500	\$295,421.19	\$4,450,078.81
Interior Finishes	\$535,000	\$71,547.23	\$463,452.77
Structural Repairs	\$60,000		\$60,000
Paving & Area Lighting	\$30,000		\$30,000
Utilities/Infrastructure	\$50,000	\$266.40	\$49,733.60
Miscellaneous Small Projects < \$50,000	\$20,000		\$20,000
Overall Total	\$7,178,674	\$1,329,702.78	\$5,848,971.22

Status as of June 30, 2010

Change Group: A	Change Type: E	Change No: 3	Priority: 1
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Remove Capital Projects - (\$49,875,661)

This change package is to remove **\$44,475,661 special** funding authority for capital projects for the 2009-11 biennium, excluding those that received ARRA funding and have been removed in budget change AE1 (11,200,000 and \$500,000 - ARRA Funding). Campuses will report on the status of the individual projects to the appropriations committees of the sixty-first legislative assembly, as required. Please see detail below on the projects that total the \$44,475,661:

COBPA RENOVATION - \$20,500,000 - NO EXPENDITURES PRIVATE FUNDING - (NONE)
OXFORD HOUSE - \$750,000 - NO EXPENDITURES - PRIVATE FUNDING - (NONE)
HANGAR RENOVATION AND ADDITION CARRYOVER - \$1,456,660.81 - COMPLETE THIS FALL - REVENUE BOND
INDOOR TRACK - \$19,500,000 - NO EXPENDITURES - PRIVATE FUNDING/LOCAL FUNDING - (NONE)
EERC STORAGE - \$1,540,000 - NO EXPENDITURES - LOCAL/GRANT FUNDING - (NONE)
STARCHER GENERATOR - \$600,000 - NO EXPENDITURES - GRANT FUNDING - (NONE)
FORENSIC PATHOLOGY - \$129,000 - CANCELLED AS A CAPITAL PROJECT

In addition, \$5.4 million permanent oil trust fund authority is removed for the SMHS Bismarck Family Practice Clinic. Currently the project is in design stage, which includes the site work and preparation. UND has selected both architectural services and construction manager at risk services for completion of the project. The facility will be constructed upon land owned by MedCenter One and leased to UND for a period of 50 years. Construction is anticipated to start in September of 2010. Currently the only encumbrance is for electrical switch gear as equipment and costs transferred to the project from earlier pre planning efforts.

Change Group: A	Change Type: F	Change No: 1	Priority: 1
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Remove Capital Assets Carryover - (\$106,282,294)

To remove **\$104,717,112.01** capital assets carryover from 2007-09 and \$1,565,182 General Fund Capital Assets carryover from 2007-09.

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Description	Carryover Balance
College of Nursing Research Facility	\$10,323.48
University Housing Replacement	\$102,514.09
Squires Dining Center Renovation	\$117,715.40
Energy Projects - Lighting	\$185,882.43
O'Kelly Hall - Ireland Laboratory Renovation	\$220,000.00
SOM Center for Excellence in Neuroscience	\$824,900.46
SOM PET Scanner/Related Renovation Costs	\$1,156,523.93
Athletic Complex/Wellness Center	\$1,368,070.22
Energy Projects - Mechanical	\$1,421,028.60
Parking Ramp Structure	\$1,642,028.50
Carnegie Library Renovation	\$2,968,124.90
SMHS-Bismarck FPC/Graduate Center	\$4,000,000.00
Wilkerson Dining Center	\$4,000,000.00
Memorial Union North Entrance	\$4,500,000.00
Earth Systems Science Building	\$5,000,000.00
EERC Commercialization Center	\$5,000,000.00
SOMHS Lab & Administration Renovation	\$9,800,000.00
American Indian Center	\$10,000,000.00
Indoor Track Facility	\$15,000,000.00
SOM Neuroscience Research Phase II	\$17,000,000.00
Allied Health Facility	<u>\$20,400,000.00</u>
TOTAL	\$104,717,112.01

Description	Carryover Balance
Electrical Distribution	\$ 500.00
Fire Alarm	\$ 1,334.20
Health & Safety	\$ 57,822.07
High Voltage Dist. Circuit 3	\$ 627.29
Major Renovations	\$ 57,012.74
Major Repairs	\$ 139,377.48
Odegard Brick Repair	\$ 1,149,350.03
O'Kelly Hall-Ireland Lab Renovation	\$ 127,091.01
Painting	\$ 1,283.25
Project Estimates	\$ 115.39

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Special Assessments	\$	7,500.50
Storm/Sanitary Sewer	\$	14,184.63
VP Requests	\$	8,983.41
Total	\$	1,565,182.00

Change Group: A	Change Type: F	Change No: 2	Priority: 1
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Remove Base Funding for Extraord Repairs - (\$2,300,545)

This change code is to remove **\$2,300,545 (from column 4 of Rep-Mnt tab)** base funding for extraordinary repairs. **Please see status below:****2009-2011 EXTRAORDINARY REPAIRS (PLANT IMPROVEMENT DOLLARS)**

Status as of June 30, 2010

BIENNIAL CATEGORY	FY2010 Budget	EXPENDITURES REMAINING	
Building Exterior	\$ 390,000.00	\$ 139,139.03	\$ 250,860.97
Mechanical/Electrical Upgrades	\$ 405,000.00	\$ 165,643.72	\$ 239,356.28
Interior Finishes	\$ 120,000.00	\$ 58,901.15	\$ 61,098.85
Structural Repairs	\$ 430,000.00	\$ 85,676.28	\$ 344,323.72
Paving & Area Lighting	\$ 405,545.00	\$ 73,408.09	\$ 332,136.91
Utilities/Infrastructure	\$ 435,700.00	\$ 5,225.36	\$ 430,474.64
Miscellaneous Small Projects < \$50,000	\$ 114,300.00	\$ 80,492.17	\$ 33,807.83
Overall Total	\$ 2,300,545.00	\$ 608,485.80	\$ 1,692,059.20

Change Group: R	Change Type: A	Change No: 1	Priority:
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Recommended Parity

- Approves 2009-11 second year salary increase
- Adjusts health insurance to actual costs
- Provides for 3% annual salary increases for the 2011-13 biennium
- Removes operating inflation increase, which is consistent with other state agency budgets
- Approves utility increases as requested for inflation and new buildings

Change Group: R	Change Type: A	Change No: 2	Priority:
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Retirement Contribution

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Adjusts for the recommended 3% annual salary increase

Change Group: R	Change Type: A	Change No: 3	Priority:
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Affordability

Provides funding to freeze tuition at the two-year campuses and limit tuition increases to up to 2.5% per year at four-year campuses

Change Group: R	Change Type: A	Change No: 4	Priority:
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Equity

Allocates \$2,459,984 from the equity pool of \$10.0 million dollars.

Change Group: R	Change Type: A	Change No: 5	Priority:
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Higher Ed FTE

Per section 20 of 2009 Senate Bill 2003 the State Board of Higher Education is authorized to adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control. FTE do not require approval in the executive budget.

Change Group: R	Change Type: B	Change No: 1	Priority:
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Capital Projects Not Funded

The Executive Budget does not include funding for the following capital projects requested by the campus:

Health Sciences Facility- \$28,890,000

EERC Office and Lab Addition - \$12,500,000

Change Group: R	Change Type: B	Change No: 2	Priority:
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IT Building Funding

The Executive Recommendation includes funding of \$11,200,000 for the Joint NDUS / NDSU / UND IT Facility. This funding level will allow for construction of a building to house a Tier II data center with room for administrative offices.

Change Group: R	Change Type: B	Change No: 3	Priority:
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Special Assessments Pay Off

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Provides a one-time, general fund appropriation of \$4.3 million to pay off campus-wide special assessment balances for an estimated savings by paying early of \$2.4 million. UND's special assessment balance pay off is \$281,013.